Direct Loans
Annual
Conference

Session # 8

Innovative Practices

Presenters:

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  - Boston University

- Rhonda Rankin
  - University of Colorado

We'll review the following:

Loan Counseling on the Web

Interpreting the DL Language

The Use of Scan Lines

Scanning in the Aid Office

Entrance on the WWW

■ How it came to be

■ Why it's such a great tool

■ Who can do it

■ Some of the issues

■ Maintenance from year to year

■ Demonstration!

How it came to be

- Volume of completed entrances was too low

- Created as a Client Server Application

- Collaborative Effort amongst OFA, MIS and IT (Information Technology)

Why is it so great?

- Access to students anytime, anywhere

- Real-time update functionality

- No software issues

- Eliminates errors made by students

- Eliminates manual keying of forms onto mainframe system

Who can use it?

- Undergraduate students who:
  - are accepted and have paid a deposit
  - are currently enrolled students
- May or may not have a federal loan

- Graduate students who:
  - have been accepted to study at Boston University
  - are currently enrolled students
- May or may not have a federal loan

Some of the issues

- Security
  - Information Technology assists students in setting up accounts and passwords to gain access to the BU Student Link.
    - Information on how to do this from home is sent to all students, both undergraduate and graduate
    - Sessions are held during summer orientation by OFA peer counselors to help students set up their accounts as well

■ Once accounts are set up, the student can access specific information about their records through the BU Student Link.

- Class selection/schedules

- Student Account information/bills

- Financial Aid information

  - Required applications
  - Entrance interview

Authentication

- There are several places in the entrance interview where a student has to "re-authenticate" by keying in their account name and password.

- At the beginning to access the application
  - Directly before the certification questions
  - Prior to submitting the certification questions

Issue #2: Technical Assistance

- Good Relationship with our MIS folks
- How to translate a login name/password to a BU ID#
  - A CGI (common gateway interface) was used to do this translation
    - BU built but common among programmers
  - The CGI translation calls our mainframe system to see what action is required

Maintaining from year to year

■ A dynamic HTML is used to manage text and design

– text can be changed at any time and will update real-time for the next student who logs into the application

– Also creates an audit trail on our mainframe to see how the student completed the requirement

A Demonstration!

Interpreting the DL Language

Why is this necessary?

- When BU was developing our system, it was determined that it was too complex
  - Internal staff couldn't keep it straight, let alone staff from other offices
  - Hope is that students will be able to view this on-line at some point and needed it to be user-friendly

How did we do this?

- Mainframe function created which details every step of the loan in relative, simple English

- Distributed function that both OFA and Bursar's staff can view to provide better customer service to our students

How does it make life more simple?

- Page 1 is a loan summary
  - details exactly where the loan is in the process
  - provides amounts, both gross and net
  - provides both anticipated and actual dates of when something will happen
  - displays possible "pop-ups"
    - screens designed to give even more detail

```
FUNCTION: FN75  Loan Summary Display              ESOAS1 03/12/99 13:54
STUDENT ID: U00 03 5408  YEAR: 98 99  Tara M. Pierson              HELP: _
FUND: 53500S   Subsidized Direct Loan
 SPRG 99 OUR SED-B.S.  FT CNT UND U1 16.0  CLASSES SELECTED          M2002
```

LN	DATE		Fall		Spring	
1	03/12/98	Award ESTABLSHED		1313 08/24/98	1312 01/09/99	
2	07/12/98	PNote Created	1313	1312		
3	08/05/98	PNote Scanned	1313	1312		
4	08/05/98	LOR Transmission - Sent				
5	08/06/98	LOR Reply - Accepted				
6	08/14/98	PNote accepted by Servicer				
7	08/18/98	Paper Prom Note Approved	1313 08/24/98	1312 01/09/99		
8	09/29/98	Disb #1 Accepted	1313			
9	09/29/98	Accounts - CREDITED	1261 (NET DISB)			
10	01/12/99	Disb #2 Accepted		1312		
11	03/12/99	Award CANCELED	1313 08/24/98	1312 01/09/99		
12						
13						

```
Next Line: 1_
```

```
Award _  PNote _  Transmit _  Requirements _  Disb _  Changes _
```

Award pop-up

■ Identifies general information about the loan
  - established
  - approved
  - changed
  - cancelled

AWARD HISTORY

Date	User	Status	Sem 1	Sem 2	To
03/12/98	BFN060	ESTABLSHED	1313	1312	26
08/18/98	BFN501	LNAPPROVED	1313	1312	26
03/12/99	ESOAS1	CANCELED	1313	1312	26

Transmit history pop-up

- Provides date that LOR record sent

- Provides batch ID#

- Provides acknowledgement from LOC

LOR TRANSMIT HISTORY

n	Date	Type	Stat	Batch Num	Resp Dt	Resp
1	98-08-05	LOR	Sent	#DG02130080598923	08/06/98	Acc
2						
3						
4						

Requirements pop-up

■ Details status of any documents that are required prior to a loan disbursing

  – FAFSA

  – C-Codes

  – Entrance, etc

REQUIRED DOCUMENTS

Document	Stat	Document	Stat
FAFSA	RCVD	SELSER	
*ENTRN	RQRD	SOCSEC	
NSLDS	RVWD	DRUGA	
DLAWD	RVWD	REFED	
DLNTE1	RVWD	CITDOC	
DLNTE2	RCVD	SS/DOC	

Disbursement pop up

■ Details exact disbursement data
  - gross amount
  - net amount
    • fees separated out

■ Provides response from LOC

DISBURSEMENT TRANSMIT HISTORY

First Disbursement   050%   Current Process:

Ln	Semester	Sent Dt	Type	Gross	Fee	Net	Resp Dt	Resp
1	Fall	98-09-26	Disb	1313	52	1261	98-09-29	Accepted
2								
3								
4								

Next Line: 1_

....

Second Disbursement 050%   Current Process:

Ln	Semester	Sent Dt	Type	Gross	Fee	Net	Resp Dt	Resp
1	Spring	99-01-09	Disb	1312	52	1260	99-01-12	Accepted
2								

Change pop-up

- Details any change that we're sending as an LOR change record
  - Internal audit LOVES this
  - Includes changes in $ amount, anticipated disb date, enrollment status, etc.

No changes on file with criteria specified

FUNCTION: FN75 Loan Summary Display   ESOAS1 03/12/99 13:57
STUDENT ID: U00 03 5408 YEAR: 98 99 Tara M. Pierson   HELP: _
FUND: 53500S   Subsidized Direct Loan
 SPRG 99 OUR SED-B.S. FT CNT UND U1 16.0 CLASSES SELECTED   M2002

Ln	Field	Prev Change Value	Post Change Value	Status

------------------------------ End of Data -------------------------------

PLUS pop-up

■ Provides any details about the parent borrower including:

- name
- SS #
- address
- Citizenship, etc.

FN75 additional screen for PLUS: Borrower Pop-up:

```
--------------------------------------------------------------------------+
                        BORROWER DETAILS                          |
Last Name  : Smith                                           |
First Name : John                                            |
Middle Name: P.                                              |
                                                 |
Street: 5 Parrot Road                                        |
City  : Boston                                               |
State : MA  Zip: 02215      Country:                         |
Phone Num: 617) 454-3223                                     |
                                                 |
SSN Number: 234-56-7890    Birth Date: 11/02/1949              |
Drivers License State: MA  Drivers License Num: 234567890         |
Citizenship Status : 1    Alien Reg Num:         Loan Default: N |
--------------------------------------------------------------------- |
                              Escape:    |
```

Using a Scan Line

Why and What!

- Created for internal use at BU
  - simplify process
  - reduce manual keying errors
- Appears on Promissory Note
  - location approved by DOE
- 21 Characters including
  - BU ID and fund number(s)

The Process: Common Information

- Both Stafford and PLUS notes have information pre-printed on them
  - student name, SS#, permanent address and phone number
    - reduces completion errors
    - simplifies process for students

- Notes get mailed with Upper Class awards and given to freshmen during Orientation

The Process: Stafford Loans

- A skeletal LOR (Loan Origination Record) is created when we produce the pnote

- When pnote is returned by student, a wand is used to scan the note and pull up the student record.

- Our tracking function is updated along with the LOR.

The Process: PLUS Loans

- Same process as for the Stafford except all parent borrower information is hand-keyed once student record pulled up.

  – Allows for better follow-up with the borrower in case of questions or incomplete application

- When scanned, the LOR record and Tracking record is updated.

Technical Issues

- Mainframe function which updates
  - tracking record and LOR record
- It uses an OCR font
- 3 Scanners are used during our peak time (BU processes over 12000 Stafford Loans each year)
- Worthwhile investment: Increase speed & accuracy

Image Processing

University of Colorado at Boulder

Rhonda Rankin

Definition of Imaging

The ability to electronically capture, store, retrieve, process and disseminate information currently on paper.

Advantages of Document Imaging

- **Greatly improved Access to Documents**

- **Elimination of Lost/Misplaced Documents**

- **Simplified Handling and Management**

Image Based Workflow

- **Scripted workflows for all documents**

- **Increased quality and Reduction of error**

- **Average 24 hour processing time**

Three Basic Steps

- Batching: **collection and review of like documents**

- Scanning: **putting documents into a queue by barcode**

- Indexing: **using a script consisting of a series of questions relating to a particular document type while interacting with our Student Information System**

FAX Input Direct to Image for all Documents except Prom Notes

- **Eliminate Handling/Storage of Paper**
- **Eliminate Scanning Time**
- **Reduces Processing Time Further**

Processing Promissory Notes

Batching

- **PLUS notes separated from Stafford Notes**

- **Notes checked for completeness and validity against established procedures by the batcher**

- **Notes bundled into batches of no more than 30 with a Batch Header Sheet**

Processing Promissory Notes

Scanning

- **Appropriate barcode placed at beginning of batch**
- **Batch is fed through scanner**

Processing Promissory Notes

Indexing

- **Appropriate batch is located in indexing queue and opened**
- **Indexer enters student's identification number on Student Information System screen**

Indexing continues…..

Click on the Loan period for this Prom

- **Fall/Spring**
- **Fall Only**
- **Spring Only**
- **Summer**

Indexing continues…..

Enter the Loan ID# from the bottom of the PROM note

The sequence number for the 99 year notes could be 2 digits long. If the sequence number is not two digits, don't add leading zeros.

Indexing continues…..

Are there any changes that void the Prom Note (IE: Promissory Terms Altered)

Are there any Unpermitted Fields on the Prom Note left Blank?

Have all Changes to Pre-Printed Information been Initialed?

Indexing continues…..

Is the Prom Note Signed & is the signature the Student's?

In the Reference: Do the References have different U.S. addresses?

Indexing continues.....

Have there been any Changes to the Disbursement Info of the DSUB1 on the Note?

Is the only Change a decrease in the Loan Amount of the DSUB1 on the Note?

Is the student declining the loan altogether?

Enter the Revised amount of the Loan. Only use EVEN whole numbers, round down if necessary.

Indexing continues…..

Does this amount from SIS, match the Amount Approved for the DSUB1 on the PROM note?

Does this Loan Period from SIS, match the Loan Period for the DSUB1 on the PROM note?

Indexing continues…..

Are there any Changes to the Borrower Information? (NOT including the PLUS)

Check All Changes That Apply

ADDRESS   PHONE   DRIVERS LICENSE

Update the STUDENT's Permanent Address, then press continue

Quality Control

- **Predefined Routing to Queues by Document Type for Special Handling**

- **Processing is Script-Controlled Using Window Dialogs for Operator Interactions**

- **All Processes Which Include Data Entry go through Second Reading via Blind Entry**

- **Processing Statistics Maintained**

- **Documents Accessible During Processing**

Milestones

- **Eliminated paper folders in 1993-94**
- **Eliminated our file room in 1994-95**
- **Achieved 24 hr turnaround in 1995-96**
- **Began sending faxed documents directly to image in 1996-97**

Before and After Imaging

- **Multiple copies**
- **Sorting and Filing**
- **Retrieve/Distribute**
- **Serial Paper Flow**
- **Collect/Refile**
- **Loss of Documents**
- **Slow Processing**
- **Significant Error**
- **Space Demands**

- Single copy
- Scan and Index
- Multi-User Inquiry
- Simultaneous Flows
- Never leaves file
- No Lost Documents
- Fast Processing
- Minimal Error
- Reduced Space Needs

Web Site

www.colorado.edu/finaid/dirloan